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September 8, 1999

EX PARTE OR LATE FILED

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W., TW-A325
Washington, D.C. 20554

Re: CC Docket No. 94-102
E-911 Location

Dear Ms. Salas:

On Tuesday, September 7, 1999, Dennis Kahan, Chief Executive Officer of SigmaOne Communications, spoke by telephone with Mr. Adam Krinsky, Legal Advisor to Commissioner Tristani, to discuss the following issues related to the above-referenced proceeding.

1. Legal Loopholes caused by a conflict between handset implementation deadlines and cost recovery requirements;
2. Legal Loopholes caused by the Advanced E-9-1-1 Coalition's proposed "handset availability" condition; and
3. Legal Loopholes caused by the Advanced E-9-1-1 Coalition's proposal that implementation deadlines only apply to "new digital phone activations."

The attachment to this notice sets forth in greater detail the discussion regarding the foregoing issues.

In accordance with § 1.1206 of the Commission's rules, two copies of this letter and the associated attachment are being submitted.

SHOOK, HARDY & BACON LLP

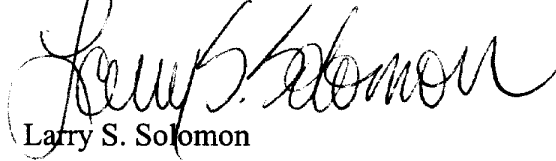
Ms. Magalie Roman Salas

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Please contact the undersigned if there are any questions in connection with this matter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Larry S. Solomon". The signature is fluid and cursive, with the first name "Larry" and last name "Solomon" clearly distinguishable. It is positioned above the printed name "Larry S. Solomon".

Larry S. Solomon

LSS/kd

Enclosures

cc: Adam Krinsky, Esquire

Legal Loopholes & Handset Proposals

APCO Implementation Deadlines Appear Straightforward

■ APCO has proposed the following penetration levels:

- 25% - December 31, 2002
- 50% - December 31, 2003
- 75% - December 31, 2004
- 99% - December 31, 2005

■ What happens if the penetration levels are not met?

The Consequences

■ Example: What if a carrier's actual implementation level for December 31, 2003 is 40% instead of 50%?

■ Assume a large carrier has 1.5 million subscribers in Dec. 2003

■ 50% = 750,000 subscribers = required penetration

■ 40% = 600,000 subscribers = actual penetration

150,000 subscriber shortfall

■ **THE COST**

■ 150,000 new handsets at \$250 per handset

■ Marketing and recall costs of \$50 per handset

■ $150,000 \times \$300 = \$45,000,000$ - for just one year for one carrier!

LOOPHOLE # 1

■ **THE COST RECOVERY LOOPHOLE** - Because there will never be sufficient cost recovery funds available to pay for ALI enabled phones, carriers who fail to meet APCO proposed implementation deadlines will simply ignore the deadlines. The deadlines will be meaningless.

■ **SOLUTION** - Provide that carriers that elect handset based solutions must meet all implementation deadlines without regard to the availability of cost recovery funds.

LOOPHOLE # 2

■ **The Handset Availability Loophole** - The Advanced E-9-1-1 Coalition wants to condition APCO's implementation deadlines on handset "availability". This would create a potential loophole so large that all carriers would simply elect a handset solution and then blame handset manufacturers for their failure to meet implementation deadlines.

■ **SOLUTION** - Provide that carriers that voluntarily elect handset based solutions cannot rely on "handset availability" excuses as a justification for missing implementation deadlines.

LOOPHOLE # 3

■ **The “New Digital” Handset Loophole** - The Advanced E-9-1-1 Coalition wants APCO’s implementation deadlines to only apply to “new digital phone activations”. The word “new” creates an ambiguity because it suggests that existing subscribers who purchase new phones will not be considered “new” activations. The word “digital” clearly excludes AMPS phones - and would permit carriers to continue selling AMPS phones without regard to implementation deadlines.

■ **SOLUTION** - Eliminate the words “new” and “digital” from all implementation deadlines and provide that the deadlines apply to all “phone activations” for existing as well as new subscribers.